

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02208A
Pueblo Del Sol Water Company
4226 Avenida Cochise, Ste 13
Sierra Vista, AZ 85635

RECEIVED

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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4-26-10

COMPANY INFORMATION

Company Name (Business Name) Pueblo Del Sol Water Company

Mailing Address 4224 Avenida Cochise, Suite 13

Sierra Vista
(City)

AZ
(State)

85635
(Zip)

(520) 458-3742
Telephone No. (Include Area Code)

(520) 417-9309
Fax No. (Include Area Code)

—
Cell No. (Include Area Code)

Email Address azulinski@castlecoke.com

Local Office Mailing Address same as above
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Rick Coffman
(Name)

Vice President
(Title)

4100 Canyon Del Flores Sierra Vista
(Street) (City)

AZ
(State)

85635
(Zip)

(520) 378-9344
Telephone No. (Include Area Code)

(520) 378-9575
Fax No. (Include Area Code)

—
Cell No. (Include Area Code)

Email Address rcoffman@castlecoke.com

On Site Manager: Ann Zilinski
(Name)

4226 Avenida Cochise Sierra Vista
(Street) (City)

AZ
(State)

85635
(Zip)

(520) 458-3742
Telephone No. (Include Area Code)

(520) 417-9309
Fax No. (Include Area Code)

—
Cell No. (Include Area Code)

Email Address azulinski@castlecoke.com

Statutory Agent: Prentice Hall Corporation System
 (Name)

7037 N. 11th Street Phoenix AZ 85020
 (Street) (City) (State) (Zip)

(520) 264-1771 - -
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Jason Burnett
 (Name)

10900 Wilshire Blvd, Ste 500, Los Angeles, CA 90024
 (Street) (City) (State) (Zip)

(310) 209-3005 - -
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address j.burnett@castlecooke.com

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>Subsidiary of Parent Corporation: Castle + Cooke Arizona, Inc.</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Pueblo Del Sol Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,414	1,414	-
302	Franchises			
303	Land and Land Rights	2,647,279	811,768	1,835,511
304	Structures and Improvements	15,971	15,971	-
307	Wells and Springs	1,005,995	400,053	605,942
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	371,328	370,105	1,223
331	Transmission and Distribution Mains	2,612,948	2,612,948	-
333	Services	331,651	254,252	77,399
334	Meters and Meter Installations	160,418	160,091	327
335	Hydrants	123,089	123,089	-
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	323,837	222,025	101,812
340	Office Furniture and Equipment	38,099	16,433	1,561
341	Transportation Equipment	110,103	160,546	9,557
343	Tools, Shop and Garage Equipment	3,890	3,890	-
344	Laboratory Equipment			
345	Power Operated Equipment	251,088	251,088	-
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	191,731	180,074	11,657
	TOTALS	7,145,775	4,645,100	2,500,675

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Pueblo Del Sol Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,414		
302	Franchises			
303	Land and Land Rights	2,647,279	4%	108,627
304	Structures and Improvements	15,971		
307	Wells and Springs	1,005,995	5%	46,955
311	Pumping Equipment	-		
320	Water Treatment Equipment	-		
330	Distribution Reservoirs and Standpipes	371,328	3%	10,036
331	Transmission and Distribution Mains	2,612,948	0%	-
333	Services	331,651	7%	22,679
334	Meters and Meter Installations	160,418	0%	-
335	Hydrants	123,089	0%	-
336	Backflow Prevention Devices	-		
339	Other Plant and Misc. Equipment	323,837	8%	25,029
340	Office Furniture and Equipment	68,494	0%	205
341	Transportation Equipment	170,103	6%	10,646
343	Tools, Shop and Garage Equipment	3,890		-
344	Laboratory Equipment	-		
345	Power Operated Equipment	251,088	0%	-
346	Communication Equipment	-		-
347	Miscellaneous Equipment	-		-
348	Other Tangible Plant	894,731		-
	TOTALS	7,145,775		224,177

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Public Del Sol Water Company

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 100	\$ 100
134	Working Funds	20,035	<37,5687
135	Temporary Cash Investments	-	
141	Customer Accounts Receivable	177,790	175,873
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 197,925	\$ 138,405
	FIXED ASSETS		
101	Utility Plant in Service	\$ 7,145,775	\$ 7,145,775
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<4,420,923>	<4,645,100>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 2,724,852	\$ 2,500,675
	TOTAL ASSETS	\$ 2,922,777	\$ 2,639,080

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	<11,059,722>	<2,063,607>
235	Customer Deposits	334,279	290,874
236	Accrued Taxes	3,157,466	3,502,911
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	2,021,183	1,909,012
	TOTAL CURRENT LIABILITIES	\$<5,536,794>	\$<6,360,802>
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$<5,536,794>	\$<6,360,802>
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$1,630,000	\$1,630,000
211	Paid in Capital in Excess of Par Value	<64,531>	<64,531>
215	Retained Earnings	6,894,102	7,434,413
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$8,459,571	\$8,999,882
	TOTAL LIABILITIES AND CAPITAL	\$2,922,777	\$2,639,080

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,938,809	\$ 1,868,641
460	Unmetered Water Revenue		
474	Other Water Revenues	<14,338>	33,421
	TOTAL REVENUES	\$ 1,944,471	\$ 1,902,062
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 251,103	\$ 264,511
610	Purchased Water		
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	69,562	43,211
621	Office Supplies and Expense	373,716	350,108
630	Outside Services	36,567	702
635	Water Testing		
641	Rents	24,283	23,181
650	Transportation Expenses	2,209	2,462
657	Insurance – General Liability	<14,310>	4,499
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	3,766	5,666
403	Depreciation Expense	275,071	224,777
408	Taxes Other Than Income	-	-
408.11	Property Taxes	97,205	4,852
409	Income Tax	321,867	345,445
	TOTAL OPERATING EXPENSES	\$ 1,441,038	\$ 1,268,765
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 503,433	\$ 633,297

COMPANY NAME

Pueblo Del Sol Water Company

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 243,604.35

Meter Deposits Refunded During the Test Year

\$ 58,058.65

COMPANY NAME	Reble Del Sol Water Company
Name of System:	ADEQ Public Water System Number: AZ0402-044

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-623583	75	420	601	14-16	8	1972
55-623582	150	500	795	14-16	8	1973
55-623581	200	850	650	14-16	8	1973
55-595127	200	1,025	800	16	10	2003

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	4	406	49
60	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
500,000 GAL	2	5,000 Gal	1
280,000 GAL	1		
1,000,000 GAL	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME <u>Pueblo Del Sol Water Company</u>
Name of System: _____ ADEQ Public Water System Number: _____

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC, Steel	4,121
3	N.A.	Ø
4	PVC, AC, Steel	26,432
5	N.A.	Ø
6	PVC, AC, Steel	154,300
8	PVC, AC, DI	161,231
10	PVC, AC	7,276
12	PVC, AC, DI	86,911

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	5,079
3/4	2
1	19
1 1/2	8
2	21
Comp. 3	Ø
Turbo 3	11
Comp. 4	Ø
Turbo 4	Ø
Comp. 6	Ø
Turbo 6	Ø

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

N.A.

STRUCTURES:

N.A.

OTHER:

N.A.

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>Pueblo Del Sol Water Company</u>	
Name of System: _____	ADEQ Public Water System Number: _____

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	5038	30,224	31,205	Ø
FEBRUARY	5052	30,824	31,699	
MARCH	5064	40,441	38,558	
APRIL	5052	40,777	42,876	
MAY	5054	53,611	54,337	
JUNE	5069	53,920	56,430	
JULY	5080	44,301	44,985	
AUGUST	5064	46,811	46,832	
SEPTEMBER	5085	33,771	37,396	
OCTOBER	5081	32,427	35,839	
NOVEMBER	5118	38,004	39,523	
DECEMBER	6062	28,709	29,849	
TOTALS →		472,725	489,530	Ø

What is the level of arsenic for each well on your system? <0.00107 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☐ Yes ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☐ Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	Pueblo Del Sol Water Company	
Name of System:		ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		6	
FEBRUARY		4	
MARCH		10	
APRIL		3	
MAY		8	
JUNE		6	
JULY		10	
AUGUST		4	
SEPTEMBER		10	
OCTOBER		12	
NOVEMBER		6	
DECEMBER		6	
TOTALS →		85	

OTHER (description):

COMPANY NAME Pueblo Del Sol Water Company YEAR ENDING 12/31/2009

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2009 was: \$ 94,695.58

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Cochise</u>	ACC UTILITIES DIRECTOR
NAME (OWNER OR OFFICIAL) TITLE	<u>Carlos Betancourt</u>	
COMPANY NAME	<u>Pueblo Del Sol Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2009</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 DAY OF

(SEAL)

MY COMMISSION EXPIRES October 20, 2011

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
661-664-6506
TELEPHONE NUMBER

COUNTY NAME	<u>Kern</u>
MONTH	<u>April</u>
YEAR	<u>2010</u>

[Signature]
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Pueblo Del Sol Water Company YEAR ENDING 12/31/2009

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 978,742
Estimated or Actual Federal Tax Liability 248,720

State Taxable Income Reported 978,742
Estimated or Actual State Tax Liability 96,725

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/13/10
DATE

Carlos Betancourt
PRINTED NAME

Controller
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Cochise</u>	ACC UTILITIES DIRECTOR
NAME (OWNER OR OFFICIAL) TITLE	<u>Carlos Betancourt</u>	
COMPANY NAME	<u>Pueblo Del Sol Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2009</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 2,085,848

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 149,809
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 DAY OF

(SEAL)

MY COMMISSION EXPIRES October 20, 2011

Carlos Betancourt
SIGNATURE OF OWNER OR OFFICIAL
661-664-6506
TELEPHONE NUMBER

COUNTY NAME	<u>Kern</u>	
MONTH	<u>April</u>	<u>2010</u>

Sarah Stamboolian
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>	
NAME (OWNER OR OFFICIAL) <u>Carlos Betancourt</u>	TITLE <u>Controller</u>
COMPANY NAME <u>Pueblo Del Sol Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

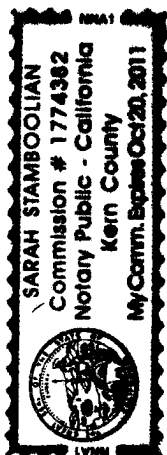
ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>1,862,285</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 135,930
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

661-664-6506
TELEPHONE NUMBER



SUBSCRIBED AND SWORN TO BEFORE ME

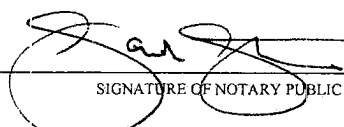
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 **DAY OF**

(SEAL)

MY COMMISSION EXPIRES October 29 2011

NOTARY PUBLIC NAME <u>Sarah Stambolian</u>	
COUNTY NAME <u>Kern</u>	
MONTH <u>Apr. 1</u>	YEAR <u>2010</u>


SIGNATURE OF NOTARY PUBLIC

MARSHA BONHAM

12473

PUEBLO DEL SOL WATER COMPANY
 4226 AVENIDA COCHISE, SUITE 13 * SIERRA VISTA, AZ 85635

Stub 1 of 1

Check Date: 4/24/2009

INVOICE		COMMENTS	GROSS	DEDUCTIONS	AMOUNT PAID
NUMBER	DATE				
RPT 2ND INST	042009		48165.05		48165.05
			48165.05		48165.05

0.*

48165.05

48165.05

002

48165.05

Pueblo Del Sol Water Company
Tax Payment Schedule - Tax Year 2008
Arizona

APN	Description	1st Installment	2nd Installment	Total
932-86-830-0	PDS Water Company	145.90	145.90	291.80
932-86-870-6	PDS Water Company	47,941.77	47,941.77	95,883.54
105-95-985B 1	PDS Water Company	77.38	-	77.38
TOTAL TAXES PAID		<u>\$ 48,165.05</u>	<u>\$ 48,087.67</u>	<u>\$ 96,252.72</u>

MARSHA PONHAM

12911

PUEBLO DEL SOL WATER COMPANY

4226 AVENIDA COCHISE, SUITE 13 * SIERRA VISTA, AZ 85635

Stub 1 of 1

Check Date: 10/23/2009

INVOICE		COMMENTS	GROSS	DEDUCTIONS	AMOUNT PAID
NUMBER	DATE				
RPT 1ST INST	101409	RPT 1ST INSTALL 2009/2010	46530.53		46530.53
			46530.53		46530.53

Pueblo Del Sol Water Company

Tax Payment Schedule - Tax Year 2008

Arizona

APN	Description	1st Installment
932-86-830-0	PDS Water Company	136.80
932-86-870-6	PDS Water Company	46,318.39
105-95-985B 1	PDS Water Company	75.34
TOTAL TAXES PAID		<u>\$ 46,530.53</u>

Pueblo Del Sol Water Company
Company #12207
22641 Real Property Taxes
12/31/09

Date	Memo	Beginning Balance	2009 Expense	Refunds	Paid	Ending Balance
Beginning Balance		(48,087.67)				(48,087.67)
January			(10,061.19)			(58,148.86)
February (true up)			2,033.68			(56,115.18)
February			(8,021.51)			(64,136.69)
March			(8,021.51)			(72,158.20)
April			(8,021.51)		48,165.05	(32,014.66)
May			(8,021.51)			(40,036.17)
June			(8,128.88)			(48,165.05)
July			(8,014.61)			(56,179.66)
August			(8,014.61)			(64,194.27)
September			(8,014.61)			(72,208.88)
October			(6,925.63)		46,530.53	(32,603.98)
November			(6,925.63)			(39,529.61)
December			(6,925.63)			(46,455.24)
		<u>(48,087.67)</u>	<u>(93,063.15)</u>	<u>-</u>	<u>94,695.58</u>	<u>(46,455.24)</u>

RPT Refund	77.38	T/B
	<u>(92,985.77)</u>	12207.22641
	T/B A/C	

Notes & memos: 120073400.51364

Annual real property tax bills are received in October of each year .

Taxes are payable in two installments - November 1st and May 1st.

Taxes are paid by C&C California through wire transfers.

At 12/31 liability should be the next installment due. At 6/30 liability should be last installment paid.

Monthly accruals should generally equal 1/6th of next installment due.

2010 2nd Installment to be paid in April 2010 46,455.20

2010 1st Installment paid in November 2009 46,530.53

APN #'s

932-86-830-0

932-86-870-6

105-95-985B 1

October 2009 Adjustment

Accrual at 12/31 should be the next installment due 46,455.20

Accrued through 9/30/09 after October payment 25,678.35

Balance to be accrued 20,776.85

Monthly accrual October - December 2009 6,925.62